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IN THE

Supreme Court of the United States

October Term, 1949
No. 127

J. FRANK KELLER and B & W, INC.,
Petitioners,

vs.

JESSE E. HALL,
Respondent.

Petition for a Writ of Certiorari to the United States Court of Appeals for the Fifth Circuit and Brief in Support Thereof.

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SUBJECT INDEX

PAGE

Petition for a Writ of Certiorari to the United States Court of Appeals for the Fifth Circuit 1

Opinions below 2

Jurisdiction 2

Questions presented 3

Statement of matter involved 3

Specification of errors to be urged 6

Reasons for granting the writ 7

Brief in Support of Petition 9

1. Opinions of the court below 9
2. Jurisdiction 9
3. The judgment of the Circuit Court of Appeals herein sought to be reviewed 10
4. Statement of the case 10
5. Specification of errors 11
6. Argument 12

Appendix:

Defendants' Exhibit 17. Assignment 31

Code of Civil Procedure, State of California, Sec. 1962 33

Defendants' Exhibit 18. Excerpts from pages 1 and 2, relied upon for conclusive presumption under Subdivision 2 of Section 1962, Code of Civil Procedure, State of California 34

TABLE OF AUTHORITIES CITED

CASES	PAGE
Aspinwall Mfg. Co. v. Gill, 32 Fed. 697	18
Boyle v. Gray, 28 F. 2d 7	17
Byram v. Chicago, St. P., M. & O. Ry. Co., 21 F. 2d 388	18
Chapman v. Gillett, 20 Cal. App. 122	28
Crown Die & Tool Co. v. Nye Tool & Machine Works, 67 L. Ed. 516, 261 U. S. 24	24
Eagle Oil & Refining Co. v. James, 126 P. 2d 880, 52 Cal. App. 2d 669	17
Gas Appliance Sales Co., Inc. v. W. D. Bastian Mfg. Co., 87 Cal. App. 301	28
Gayler et al. v. Wilder, 13 L. Ed. 504, 10 How. 477	12, 13, 14, 15, 16, 24
Hays v. Marble, 213 S. W. 2d 329	17
Heidt v. Minor, 113 Cal. 385	27
Hendrix v. Foote, 36 So. 2d 145	17
Hewlett v. Owens, 50 Cal. 474	17
Kountze v. Kirby Lumber Co., 153 F. 2d 695	17
New Jersey Zinc Co. v. Singmaster et al., 4 Fed. Supp. 967	19, 20, 22
Osborne v. Endicott, 6 Cal. 149	28
Palvutzian v. Terkanian, 47 Cal. App. 47	26, 27
Pope Mfg. Co. v. Gormully & Jeffery Mfg. Co., 36 L. Ed. 423, 144 U. S. 248, 12 S. Ct. 643	12, 13, 14, 15, 16, 19, 23, 24
R. A. Security Holdings, In re, 46 Fed. Supp. 254	17
Shaw v. Caldwell, 16 Cal. App. 1	27
Talbot v. Quaker State Oil Refining Co., 104 F. 2d 967	18
Taylor v. Brindley, 164 F. 2d 235	17

PAGE

United States Colloid Mill Corp. v. Myers, 6 Fed. Supp. 283.... 19, 22

Wagnor v. Blume, 71 Cal. App. 2d 94.... 28

Waterman v. Mackenzie, 138 U. S. 252, 34 L. Ed. 923.... 13

Westinghouse E. & M. Co. v. Wagner E. & M. Co., 56 L. Ed. 1222, 225 U. S. 604.... 22

Zaslow v. Kroenert, 176 P. 2d 1.... 17

STATUTES

California Code of Civil Procedure, Sec. 1962, Subd. 2.... 5, 7, 11, 25, 26, 27, 28, 29

United States Code, Title 28, Sec. 1254(1).... 2, 9

United States Code, Title 28, Sec. 1400(b).... 9

United States Code, Title 28, Sec. 2101(c).... 2, 9

TEXTBOOKS

62 Corpus Juris, p. 421.... 17

7 Ruling Case Law, p. 15.... 17

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J. FRANK KELLER and B & W, INC.,

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Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT.

To the Honorable, the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Petitioners, J. Frank Keller and B & W, Inc., pray that a writ of certiorari issue to review a judgment of the United States Court of Appeals for the Fifth Circuit [R. 63-64] affirming and modifying a judgment of the United States District Court for the Western District of Louisiana [R. 50-51]. A petition for rehearing was denied April 20, 1950 [R. 69]. A certified copy of the transcript of the record, including the proceedings in said court, is furnished herewith in accordance with the rules of this court. A stipulation as to the contents of the

printed record, pursuant to Rule 38(8) of this court, has been filed herein [R. 69-71]. Petitioners' (defendants and appellees below) original Exhibits 17, 18, 20, 28, 29, 30, 31 and 32, and respondent's (plaintiff and appellant below) original Exhibits B, C, D, R, S, T, U, V, W and X, have been forwarded to this court pursuant to an order of the Court of Appeals for the Fifth Circuit. Said exhibits are pertinent to the questions presented in this petition.

Opinions Below.

The findings of fact and conclusions of law and the opinion of the District Court appear in the record on pages 29 to 50. The opinion of the Court of Appeals for the Fifth Circuit appears in the record on pages 56 to 63. The opinion of the District Court is reported at 81 Fed. Supp. 835. The opinion of the Circuit Court is reported at 180 F. 2d 753, 85 U. S. P. Q. 32.

Jurisdiction.

This court has jurisdiction by virtue of the provisions of 28 U. S. C., Sections 1254(1) and 2101(c). The judgment sought to be reviewed [R. 63-64] was entered March 20, 1950. A petition for a rehearing was denied April 20, 1950, and a stay of the issuance of the mandate was ordered until May 28, 1950, and thereafter extended until June 15, 1950, by the Court of Appeals for the Fifth Circuit for the purpose of allowing this petition to be filed. The filing of the petition for a writ of certiorari is therefore timely.

Questions Presented.

1. Can a defendant who admittedly is an owner of an undivided interest in certain claims of a patent be sued for and enjoined from infringement of other claims of said patent.

2. Did not the Court of Appeals for the Fifth Circuit err in reversing the finding of the District Court that the petitioner B & W, Inc. had an interest in the entire patent in suit.

Statement of Matter Involved.

This is an action involving infringement of United States letters patent 2,220,237 issued November 5, 1940, to respondent on application Serial No. 119,246 filed January 6, 1937, for a well cleaner. Said device is used in the drilling of oil wells and is known as a spiral centralizer. The claims in issue are 1, 3 and 4, set forth in the printed record page 31, and in Plaintiff's Exhibit B, a copy of the patent in suit. The patent in suit is a continuation-in-part of abandoned application Serial 38,891, Plaintiff's Exhibit D. The Patent Office allowed claims in application Serial 38,891 prior to abandonment. The continuation-in-part application 119,246 disclosed the invention of application Serial 38,891 and was filed prior to the date of abandonment of said application 38,891. The allowed claims in said abandoned application were transferred into the continuation-in-part application and the patent in suit issued containing claims 9 to 16 thereof which defined and included the invention of application 38,891.

The District Court found, finding 11 [R. 48], that the petitioner B & W, Inc. was a part owner in said claims

and the invention thereof by virtue of the instruments identified by exhibit numbers in said finding. Said finding reads as follows:

> "11. Samuel H. Robinson of Los Angeles, California, by an assignment in writing, defendants' Exhibit D-17, acquired an interest in and to said abandoned application and the invention described therein; the defendant, B. & W. Inc., by virtue of the written instruments Exhibits D-28 to D-32, inclusive, acquired all of the right, title and interest of said Samuel H. Robinson in and to said application and said invention and in and to said invention as carried over and embodied in any of the claims in the patent in suit."

Samuel H. Robinson referred to in finding 11, by Defendants' Exhibit 17, acquired an undivided one-fifth interest in and to the invention described in application Serial 38,891. The assignment, Defendants' Exhibit 17, is set forth in the appendix, page 31. By the other instruments referred to in finding 11, *i. e.*, Defendants' Exhibits 28 to 32, inclusive, B & W, Inc. acquired all of the interest of Samuel H. Robinson, his estate and heirs, in and to the invention of said application.

The respondent in his appeal below did not question the correctness of finding 11 and in fact admitted in his brief that B & W, Inc. was the owner of an undivided interest in said claims 9 to 16, inclusive. The appeal therefore was heard and determined upon the admitted fact that the petitioner B & W, Inc. was the owner of an undivided one-fifth interest in and to said claims.

The District Court also found, findings 14 and 15 [R. 49], as follows:

> "14. The defendant, B. & W. Inc., by virtue of defendants' Exhibits D-18 and D-20, and in accordance with §1962, subdivision 2 of the Code of Civil Procedure of the State of California, is the owner of an interest in and to the invention specifically described in the specifications and shown in the drawings of the patent in suit and as embodied in and covered by the claims in issue, and each of them.
>
> "15. The defendant, B. & W., Inc., by virtue of defendants' Exhibits D-18 and D-20, pretermitting the existence and the applicability of §1962, subdivision 2 of the Code of Civil Procedure of the state of California, is the owner of an interest in and to the invention specifically described in the specifications and shown in the drawings of the patent in suit and as embodied in and covered by the claims in issue, and each of them."

Section 1962, subdivision 2, of the Code of Civil Procedure of California appears in the record, page 40; appendix, page 33.

The District Court in accordance with its findings entered a judgment of dismissal of the action [R. 50].

The appeal of the respondent challenged the correctness of said findings 14 and 15. The petitioners in addition to contending before the Court of Appeals that findings 14 and 15 were correct, also contended that the admitted undivided ownership of the petitioner B & W, Inc., in and to the invention covered by claims 9 to 16, inclusive, of the patent in suit prevented the respondent from maintaining the action and from securing any judgment enjoining the

petitioners from infringement of claims 1, 3 and 4 in issue.

The Court of Appeals reversed the District Court as to said findings 14 and 15 and in addition held that each claim of a patent was a separate grant and the fact that petitioner B & W, Inc. had an interest in claims 9 to 16, inclusive, did not prevent the respondent from securing a judgment enjoining the petitioners from infringement of claims 1, 3 and 4 in issue. The result of the decision and judgment of the Court of Appeals for the Fifth Circuit is that a mandate will issue to the District Court, unless this court grants this petition, which will necessitate the entrance of a judgment by the District Court finding infringement of the claims in issue and permanently enjoining the petitioners from infringing said claims even though the petitioners admittedly own an undivided interest in other claims in the patent in suit.

Specification of Errors to Be Urged.

The Court of Appeals erred:

1. In holding that the respondent could maintain the action and was entitled to a judgment finding infringement of claims 1, 3 and 4 in issue and enjoining petitioners from infringing thereon even though the petitioner B & W, Inc. admittedly was a part owner of other claims in the patent.

2. In holding that where claims of a patent are commingled, and with the petitioners admittedly owning an interest in claims not in issue, that it is necessary a fraudulent intent or purpose of the respondent be shown in order to prevent the maintenance of the action.

3. In failing to hold that the claims in issue are inextricably mingled in the patent in suit with claims in which the petitioners admittedly have an ownership and that such inextricable mingling prevents the respondent from maintaining the action.

4. In holding that respondent was not bound by the conclusive presumption provided for in Section 1962, subdivision 2, of the Code of Civil Procedure of California.

5. In reversing the findings and decisions of the District Court as to findings 14 and 15.

6. In denying the petition for a rehearing.

Even though this court would hold that the Court of Appeals did not err as to specifications 4 and 5, nevertheless the judgment of the Court of Appeals would necessarily be reversed if this court concluded that the court erred as to the other specifications of error.

Reasons for Granting the Writ.

1. The decision and judgment of the Court of Appeals for the Fifth Circuit is in conflict with the applicable decisions of this court, and particularly as to question 1 raised by this petition.

2. The decision and judgment of the Court of Appeals for the Fifth Circuit is in conflict with the applicable decisions of the court of another Circuit, and particularly as to question 1 raised by this petition.

3. The decision and judgment of the Court of Appeals for the Fifth Circuit is in conflict with the applicable decisions rendered by courts of the State of California and involving subdivision 2 of Section 1962 of the Code of Civil Procedure of California.

4. The decision and judgment of the Court of Appeals for the Fifth Circuit would create an anomaly in the patent law in that separate interests in different claims of a patent could exist and the owners of said separate interests could maintain infringement actions against each other and could otherwise assert said interests regardless of the interest of the other owners and the fact that said interests were all included under one legal monopoly, *i. e.,* a patent grant; that said holding will create endless confusion amongst those owning patents and interested therein and so affects the public interest and this court should review this decision for the purpose of clearing up said anomaly.

Wherefore, it is respectfully submitted that this petition should be granted.

J. FRANK KELLER and
B & W, INC.,
By LEONARD S. LYON and
REGINALD E. CAUGHEY,
Attorneys for Petitioners.

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BRIEF IN SUPPORT OF PETITION.

1. Opinions of the Courts Below.

The opinion of the United States Court of Appeals for the Fifth Circuit appears in the transcript of record herein, pages 56 to 63. Said opinion is reported at 180 F. 2d 753, 85 U. S. P. Q. 32. The opinion of the District Court appears in the transcript of record herein, pages 29 to 50. Said opinion is reported at 81 Fed. Supp. 835.

2. Jurisdiction.

The jurisdiction of this court is invoked under Sections 1254(1) and 2101(c) of Title 28 of the United States Code. The matter to be reviewed arises in a suit under the patent laws of the United States, 28 United States Code, Section 1400(b).

3. The Judgment of the Circuit Court of Appeals Herein Sought to Be Reviewed.

This judgment appears in the transcript of record, page 63-64. It was filed and entered March 20, 1950. A petition for rehearing was denied April 20, 1950, and appears in the transcript of record, page 69. The filing of this petition for writ of certiorari is therefore timely. The judgment modified and affirmed the judgment of the District Court. However, the effect of said judgment is to reverse the judgment of the lower court in that the lower court judgment was one of dismissal and the judgment of the Court of Appeals for the Fifth Circuit holds that B & W, Inc. has no right, title or interest in the particular claims in issue, *i. e.,* 1, 3 and 4, and that the petitioners are hereafter enjoined from further infringing the patent of the respondent.

The validity of the patent in suit is not involved in any of the questions presented by the petition. Furthermore, no issue is raised by the questions presented in the petition as to whether the spiral centralizers manufactured and sold by petitioners are covered by the claims in issue. The questions go solely to the issue of whether the interest of the petitioner B & W, Inc. in and to claims 9 to 16, inclusive, of the patent in suit or in the patent in suit is such as to compel a reversal of the judgment of the Court of Appeals for the Fifth Circuit.

4. Statement of the Case.

The foregoing petition contains a summary of the material facts necessary to an understanding of the reasons relied upon for the allowance of the writ as well as a statement of questions involved in the case.

5. Specification of Errors.

A. That the Court of Appeals for the Fifth Circuit erred in holding that the respondent could maintain the action and was entitled to a judgment finding infringement of claims 1, 3 and 4 in issue and enjoining petitioners from infringing thereon even though the petitioner B & W, Inc. admittedly was a part owner of other claims in the patent.

B. That the Court of Appeals for the Fifth Circuit erred in holding that where claims of a patent are commingled, and with the petitioners admittedly owning an interest in claims not in issue, that it is necessary a fraudulent intent or purpose of the respondent be shown in order to prevent the maintenance of the action.

C. That the Court of Appeals for the Fifth Circuit erred in failing to hold that the claims in issue are inextricably mingled in the patent in suit with claims in which the petitioners admittedly have an ownership and that such inextricable mingling prevents the respondent from maintaining the action.

D. That the Court of Appeals for the Fifth Circuit erred in holding that respondent was not bound by the conclusive presumption provided for in Section 1962, subdivision 2, of the Code of Civil Procedure of California.

E. That the Court of Appeals for the Fifth Circuit erred in reversing the findings and decisions of the District Court as to findings 14 and 15.

F. That the Court of Appeals for the Fifth Circuit erred in denying the petition for a rehearing.